APPENDICES
for
San Gabriel Valley Water Company, Fontana Water Company Division

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San Gabriel Valley Water Company
Fontana Water Company Division
Summary of Earnings
(Dollars in Thousands)

	TY 2006-2007	
	Present Rates	Adopted Rates
Operating Revenue	$43,588.8	$41,731.5
Operating Expenses		
Purchased Water & Assess.	$8,625.1	$8,625.1
Purchased Power	$4,795.5	$4,795.5
Chemicals	$637.4	$637.4
Payroll	$4,628.1	$4,628.1
Materials & Supplies	$465.5	$465.5
Transportation	$619.3	$619.3
Pensions & Benefits	$1,650.3	$1,650.3
Uncollectibles	$85.0	$81.4
Franchise Fees	$352.7	$337.6
Outside Services	$452.6	$452.6
Insurance	$591.2	$591.2
Other O&M Expense	$163.5	$163.5
Other A&G Expense	($34.6)	($34.6)
Bank Charges	$62.0	$62.0
Subtotal	$23,093.7	$23,075.0
Allocated Common	$2,987.8	$2,987.8
Total Operating Exp.	$26,081.5	$26,062.8
Depreciation	$3,701.3	$3,701.3
Ad Valorem Taxes	$839.7	$839.7
Payroll Taxes	$444.1	$444.1
Total Expense before Inc.Tax	$31,066.6	$31,047.9
Net Revenue before Inc. Tax	$12,522.2	$10,683.6
State Income Tax	$421.9	$259.4
Federal Income Tax	$3,070.0	$2,441.6
Total Operating Expense	$34,558.6	$33,748.9
Net Operating Revenues	$9,030.2	$7,982.6
Rate Base	$85,512.9	$85,512.9
Rate of Return	10.56%	9.33%

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San Gabriel Valley Water Company
Fontana Water Company Division

Utility Plant, Depreciation Reserve, and Rate Base
(Dollars in Thousands)

	TY 2006-2007	TY 2007-2008
Utility Plant		
Plant BOY	$173,145.1	$186,643.2
CWIP BOY	$7,700.4	$7,700.4
Utility Additions	$10,743.3	$14,800.9
Advances	$1,875.0	$2,887.5
Contributions	$1,300.0	$1,300.0
Total Additions	$13,918.3	$18,988.4
Retirements	($432.6)	($432.6)
Transfers & Adjustments	$12.4	$12.4
Plant EOY	$186,643.2	$205,211.4
CWIP EOY	$7,700.4	$7,700.4
Weighted Plant Additions	$6,748.8	$9,284.0
Weighted Average Plant	$187,594.6	$203,627.7
Depreciation Reserve		
Reserve BOY	$41,572.6	$45,599.0
Contributions	$469.5	$502.4
Depreciation Expense	$3,701.3	$4,050.2
Clearing Account	$240.4	$260.8
Total Accrual	$4,411.2	$4,813.4
Retirements	($384.8)	($384.8)
Reserve EOY	$45,599.0	$50,027.7
Weighted Accrued Additions	$2,013.2	$2,214.3
Wtd. Average Depreciation Reserve	$43,585.8	$47,813.3
RATE BASE		
Utility Plant	$187,594.6	$203,627.7
Materials & Supplies	$965.5	$1,068.7
Operational Cash Allowance	$11.9	$11.9
Working Cash - Lead Lag	$499.5	$578.9
Depreciation Reserve	($43,585.8)	($47,813.3)
Advances for Construction	($31,883.8)	($33,530.4)
Contributions	($18,835.8)	($19,526.9)
Deferred Income Taxes	($17,329.4)	($18,631.8)
Deferred ITC	$436.2	$455.4
Investment - Fontana Union Water	$989.3	$989.3
Taxes on Advances and CIAC	$2,436.3	$2,597.3
District Rate Base	$81,298.6	$89,826.9
Common Utility Allocation	$4,214.3	$4,401.7
Average RATE BASE	$85,512.9	$94,228.6

(continued)

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San Gabriel Valley Water Company
Fontana Water Company Division

Income Tax Calculation
(Dollars in Thousands)

	TY 2006-2007
Operating Revenue	$41,731.5
Purchased Power	$8,625.1
Purchased Water	$4,795.5
Chemicals	$637.4
Payroll	$4,628.1
Materials & Supplies	$465.5
Transportation	$619.3
Pensions & Benefits	$1,650.3
Uncollectibles	$81.4
Franchise Fees	$337.6
Outside Services	$452.6
Insurance	$591.2
Other O&M Expense	$163.5
Other A&G Expense	($34.6)
Bank Charges	$62.0
Allocated Common	$2,987.8
Ad Valorem Taxes	$839.7
Payroll Taxes	$444.1
Subtotal	$27,346.6
Interest	$2,895.5
Total Deductions	$30,242.1
Taxable Income	$11,489.4
State Tax Depreciation	$8,578.1
Net Taxable Income	$2,911.3
State Corp. Franch.Tax @ 8.84%	$257.4
Amortization of CIAC Tax	$2.0
Total State Income Tax Expense	$259.4
Federal Tax Depreciation	$3,701.3
State Franchise Tax - Prior Year	$666.1
Federal Taxable Income	$7,122.0
Fed. Income Tax @ 34.18%	$2,434.3
Amortization of CIAC Tax	$7.3
Total Federal Income Tax Expense	$2,441.6
Total Taxes	$2,701.0

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San Gabriel Valley Water Company
Fontana Water Company Division

Quantities

1.	Net-to-Gross Multiplier:	1.772805
2.	Federal Income Tax Rate:	34.18%
3.	State Income Tax Rate:	8.84%
4.	Franchise Fee Rate:	0.8091%
5.	Uncollectibles Rate:	0.1951%

6. Number of Services & Supply:

	No. of Services			Ccf/	Usage -Ccf		
Class	'06-'07	'07-'08	'08-'09	Customer	'06-'07	'07-'08	'08-'09
Residential	42,572	43,889	45,206	322.37	13,723,936	14,148,497	14,573,058
Commercial	328	333	338	8,239	2,702,392	2,743,587	2,784,782
Industrial, Small	75	78	81	1,199	89,925	89,925	89,925
Industrial, Large	57	57	57	7,300	416,100	416,100	416,100
California Steel Industries	1	1	1	545,700	545,700	545,700	545,700
Cemex - contract	1	1	1	120,400	120,400	120,400	120,400
Cemex - tariff	N/A	N/A	N/A	130,300	130,300	130,300	130,300
Public Authority, Small	224	234	244	1,522	340,928	340,928	340,928
Public Authority, Large	223	232	241	6,252	1,394,196	1,394,196	1,394,196
Construction	116	122	128	3,412	395,792	395,792	395,792
Subtotal	43,597	44,947	46,297		19,859,669	20,325,425	20,791,181
Private Fire Servce	773	813	853				
Total	44,370	45,760	47,150				
Water Loss @ 6.2%					1,309,526	1,340,238	1,370,949
Total Water Supply, Ccf					21,169,195	21,665,663	22,162,130
Total Water Supply, AF					48,597.8	49,737.5	50,877.2

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San Gabriel Valley Water Company
Fontana Water Company Division

Quantities
Test Year 2006-2007

7. Water Supply Quantities & Cost (continued):

Item	Unit Cost ($/AF)	Quantity Basis (AF)	Total Cost or Assessment ($000)
Chino Basin Wells			
Replenishment Assessment	$250.00	12,230.0	$3,057.5
Administrative Assessment	$5.50	14,880.0	$81.8
OBMP Assessment	$19.93	14,880.0	$296.6
Appropriative Pool & 85/15 Assess.	$9.94	16,985.5	$168.8
Land Use Conversion Assessment	$25.15	834.0	$21.8
Appropriative Rights	$0.00	1.0	$0.0
Leases	$182.07	2,650.0	$482.5
Subtotal		14,880.0	$4,109.0
Non-Chino Basin Wells			
FWC Share	$0.00	15,383.6	$0.0
CCWD Share Purchased	$335.64	5,886.9	$1,975.9
Subtotal		21,270.5	$1,975.9
Lytle Creek Surface Water			
FWC Share	$0.00	4,315.6	$0.0
CCWD Share Purchased	$335.64	1,660.4	$557.3
Subtotal		5,976.0	$557.3
Other			
SWP Purchases - MWD	$335.00	2,628.5	$880.5
SWP Purchases - SBVMWD	$125.80	3,000.0	$377.4
CCWD Emergency Purchases	$515.00	83.5	$43.0
IEUA Assessment (active meters)	$4.14	39,274.0	$162.6
Water Stock Assessments (shares)	$70.00	5,768.1	$403.8
Subtotal		5,712.0	$1,867.3
Adjustment @ Composite AF Rate		650.0	$115.6
Total		48,488.5	$8,625.1
Composite		$177.88 per AF	

APPENDIX B
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San Gabriel Valley Water Company
Fontana Water Company Division

Quantities
(Dollars in Thousands)

Test Year 2006-2007

8. Purchased Power Costs

Schedule PA-1	$0.132671	1,320,177
		$175.2
Schedule PA-2	$0.088204	11,324,312
		$998.9
Schedule GS-1	$0.131111	21,504
		$2.8
Schedule GS-2	$1.115912	29,550
		$33.0
Schedule TOU-8	$0.121477	12,098,519
		$1,469.7
Schedule TOU-PA-B	$0.084395	18,922,244
		$1,596.9
Schedule TOU-PA-5	$0.075458	6,879,093
		$519.1
Total $		$4,795.5
Total kWh		50,595,398
$/kWh		$0.094782

San Gabriel Valley Water Company
Fontana Water Company Division

Quantities

9. Number of Services by Meter Size

	TY 2006-2007	EY 2007-2008	EY 2008-2009
Residential			
5/8 x 3/4-in.	26,228	27,040	27,851
3/4-In.	22	23	24
1-in.	15,293	15,766	16,239
1.5-in.	533	549	566
2-in.	494	509	524
3-in.	2	2	2
Subtotal:	42,572	43,889	45,206
Commercial			
5/8 x 3/4-in.	2	2	2
1-in.	6	6	6
1.5-in.	43	44	45
2-in.	173	174	177
3-in.	2	2	2
4-in.	1	1	1
6-in.	12	13	13
8-in.	19	19	19
10-in.	7	7	7
2-2-in.	43	44	45
3-2-in.	15	16	16
4-2-in.	4	4	4
2-4-in.	1	1	1
Subtotal:	328	333	338
Industrial, Small			
5/8 x 3/4-in.	21	21	22
1-in.	12	12	13
1.5-in.	16	17	18
2-in.	26	28	28
Subtotal:	75	78	81
Cemex USA			
10-in.	1	1	1
California Steel Industries			
2-in.	2	2	2
10-in.	3	3	3

(continued)

APPENDIX B

San Gabriel Valley Water Company
Fontana Water Company Division

Quantities

9. Number of Services by meter size (continued)

	TY 2006-2007	EY 2007-2008	EY 2008-2009
Industrial, Large			
1-in.	1	1	1
1.5-in.	5	5	5
2-in.	32	32	32
3-in.	1	1	1
6-in.	1	1	1
10-in.	3	3	3
2-2-in.	9	9	9
3-2-in.	4	4	4
2-3-in.	1	1	1
Subtotal:	57	57	57
Public Authority, Small			
5/8 x 3/4-in.	18	18	19
3/4-In.	1	1	1
1-in.	65	68	71
1.5-in.	53	55	57
2-in.	87	92	96
Subtotal:	224	234	244
Public Authority, Large			
1-in.	3	3	4
1.5-in.	7	7	7
2-in.	138	144	149
3-in.	3	3	4
4-in.	1	1	1
6-in.	1	1	1
10-in.	1	1	1
2-2-in.	48	50	52
3-2-in.	13	14	14
4-2-in.	8	8	8
Subtotal:	223	232	241
Construction	116	122	128
Total Metered:	43,597	44,947	46,297
Private Fire Service			
7.78" diameter (avg.)	773	813	853
Total Services	44,370	45,760	47,150

(End of Appendix B)

APPENDIX C
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San Gabriel Valley Water Company
Fontana Water Company Division

Comparison of Bills

Comparison of typical bills for residential metered customers of various usage levels and average level at present and autrhorized rates

General Metered Service
(3/4 x 5/8-inch meter)

Monthly Usage (Ccf)	Present Rates	Test Year 2006-2007 Authorized Rates	Test Year 2006-2007 Percent Increase
5	$20.62	$20.03	-2.8%
10	$28.44	$27.10	-4.7%
20	$44.08	$41.22	-6.5%
23 (avg.)	$48.77	$45.46	-6.8%
30	$59.72	$55.35	-7.3%
50	$91.00	$83.60	-8.1%
100	$169.19	$154.24	-8.8%

(End of Appendix C)

APPENDIX D
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San Gabriel Valley Water Company
Fontana Water Company Division

Adopted Rates

	Test Year 2006-2007
Schedule FO-1	
Quantity Rate	
Per 100 cu. Ft. (Ccf)	$1.4127
Service Charges	
Per service per month	
For 5/8 x 3/4-in.	$12.97
For 3/4-in.	$19.46
For 1-in.	$32.43
For 1-1/2-in.	$64.85
For 2-in.	$103.80
For 3-in.	$194.60
For 4-in.	$324.30
For 6-in.	$650.00
For 8-in.	$1,040.00
For 10-in.	$1,490.00
For 12-in.	$2,140.00
For 2-2-in.	$208.00
For 3-2-in.	$311.00
For 4-2-in.	$415.00
For 2-3-in.	$389.00
For 2-4-in.	$649.00
For 1-8-in., 2-2-in.	$1,250.00
For 2-8-in.	$2,080.00
Schedule FO-4	
Per service per month for each inch of diameter of service connection	$7.24
Schedule FO-9C	
sidewalk (per 100 sq. ft.)	$0.663
street curb (per 100 lineal ft.)	$1.324
trench settling (per lineal foot)	$0.056
road constuction (per 3000 sq. ft.)	$9.32
fill compaction (per cubic yard)	$0.084
tank truck (per 100 gallons)	$0.219
Minimum charge	$33.38
Schedule FO-9CL	
For each lot during construction	$11.42

(continued)

APPENDIX D
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San Gabriel Valley Water Company
Fontana Water Company Division

FACILITIES FEES

APPLICABILITY

Applicable to all customers applying for service from the Utility in the territory served for premises not previously connected to its distribution mains, for additional service connections to existing premises, and for increases in size of service connections to existing premises due to change in use.

TERRITORY

This schedule is applicable within the entire territory served by the Fontana Division of the Utility.

RATES

Initial Fee for each Service Connection

For	5/8 x 3/4-in.	$5,000.00
For	3/4-in.	$5,000.00
For	1-in.	$6,650.00
For	1-1/2-in.	$10,000.00
For	2-in.	$13,350.00
For	3-in.	$20,000.00
For	4-in.	$26,650.00
For	6-in.	$40,000.00
For	8-in.	$53,350.00
For	10-in.	$66,650.00
For	12-in.	$80,000.00
For	14-in.	$93,350.00

SPECIAL CONDITIONS

1 Faciltiies fees are payable in addition to and do not limit any charges for extensions of mains that may be applicable under Rule 15, Main Extensions.

2 These fee are not subject to the Public Utilities Commission Reimbursement Fee surcharge in Schedule UF.

3 These fees shall be used only for the repair and replacement or the installation of new infrastructure.

4. An estimate of the Facilities Fees shall be included in any deposit required of the applicant under Rules 15 and 16, or otherwise. The tariff sheet in effect at the time the statement of actual construction costs is provided to the applicant under Rules 15 or 16, or otherwise, shall determine the applicable amount of Facilities Fees.

(End of Appendix D)

Appendix E
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Effect on Revenue Requirement of
Pre-Tax Allocation of Gains from Contamination Settlement
For The Period 7/17/04 to12/31/06

A.05-08-021
San Gabriel Valley Water Company
Fontana Water Company Division

	Calendar Year					Total 7/17/04 to 12/31/06
	2004		2005		2006	
Beginning Effect on Revenue Requirement of Pre-Tax Allocation of Gains on Sale of Property	$522.2		$522.2		$542.6	
Adjustment to Depreciation Expense			$20.4		$0.0	
	$522.2		$542.6		$542.6	
Adjust for 6 Months	50%					
Revenue Requirement Adjustment for Pre-Tax Allocation of Gains on Sale of Property	$261.1	+	$542.6	+	$542.6	= $1,346.4

Notes:
The superseded Rate Case Plan in effect for D.04-07-034 required a Summary of Earnings on a calendar year basis, but rates in D.04-07-034 did not become effective until 7/17/04.

San Gabriel Valley Water Company
Fontana Water Company Division

Calculation of Effect on TY 2004 Rate Base and Revenue Requirement
of Pre-Tax Allocation of Gains from Contamination Settlement

		2003			2004		
		BOY (a)	EOY (b)	AVG (c)	BOY (d)	EOY (e)	AVG (f)
	RATE BASE						
	Plant						
1	Adjustment	$2,618.3	$2,618.3	$2,618.3	$2,618.3	$2,618.3	$2,618.3
	Contributions						
2	Adjustment	$2,373.7	$2,373.7		$2,305.6	$2,305.6	
3	Less 2.6% * Line 1		($68.1)			($68.1)	
4	Subtotal		$2,305.6	$2,339.7		$2,237.5	
5	Adjustment - Additional Amount				$2,994.6	$2,994.6	
6	Less 2.6% * Line 5 (half-year)					($38.9)	
7	Subtotal					$2,955.7	
8	Total Contributions Adjustment				$5,300.2	$5,193.2	$5,246.7
	Depreciation Expense						
9	Plant Adjustment (Line 1)			$2,618.3			$2,618.3
10	Plus 2.6% * Line 9			$68.1			$68.1
11	Add'n Contributions Adjustment (Line 3 + 6)			($68.1)			($107.0)
12	Total Depreciation Exp. Adjustment			$0.0			($38.9)
	Deferred Taxes						
13	Adjustment	$43.1	$43.1	$43.1	$43.1	$43.1	$43.1
	Accum. Depreciation						
14	Adjustment	$201.5	$201.5		$269.6	$269.6	
15	Reverse Deprec. Adjustment (Line 10)		$68.1			$68.1	
16	Depreciation on Contributions (Line 6)		$0.0			$38.9	
17	Total Accum. Deprec. Adjustment		$269.6	$235.5		$376.6	$323.1

	Rate Base	**TY 2004**
18	Plant excluded from Rate Base per D.04-07-034 (Line 1)	$2,618.3
19	Contributions (Line 8)	($5,246.7)
20	Accum. Depreciation (Line 17)	($323.1)
21	Deferred Taxes (Line 13)	($43.1)
22	**Net Additional Rate Base Adjustment**	**($2,994.6)**

	REVENUE REQUIREMENT		
	Return @ 9.4%		
23	Change in Rate Base (Line 22)	($2,994.6)	
24	Change in Return (Line 23 * 9.40%)	($281.5)	
25	Line 24 times adopted N-T-G of 1.772805		($499.0)
26	**Depreciation Expense** (Line 12)		($38.9)
	Ad Valorem Tax		
27	Change in BOY Depreciated Plant (Line 1 less Line 14)	$2,348.7	
28	Taxes @ 0.669%		$15.7
29	**Net Rev. Rqmt. Adjustment**		**($522.2)**

Appendix E
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San Gabriel Valley Water Company
Fontana Water Company Division

Calculation of Pre-Tax Allocation of Gains From 1996 Through 2004

Application Number 05-08-021
As of January 1, 2004

Type of Sale	Net Gain		Legal Costs Incurred but Not Included in Rates or Memo A/C	Taxable Net Gain	Allocation of Net Gains in Excess of Costs 67% Ratepayers	33% Shareholders
Proceeds of Contamination Claim	$8,559,863		$208,554	$8,351,309	$5,595,377	$2,755,932
Service Duplication Judgment	$2,314,538		$616,835	$1,697,703	1/	1/
Sales under Threat of Condemnation	$2,421,727	2/	$225,110	$2,196,617	1/	1/
Sales to Private Owners	$431,004	2/	$0	$431,004	$0	$431,004
Condemnation Proceeds	$22,500		$0	$22,500	1/	1/
Additional Contamination Proceeds	$26,114		$0	$26,114	$17,496	$8,618
Total Pre-Tax Gains	$13,775,746		$1,050,499	$12,725,247	$5,612,873	$3,195,554
Less amount already included in CIAC per D.04-07-034					($2,618,291)	
Additional amount to be Treated as CIAC as of Beginning of Test Year 2004					$2,994,582	

1/ To be determined in R.04-09-003
2/ Gross amounts of proceeds are $2,520,148 and $507,199

San Gabriel Valley Water Company
Fontana Water Company Division
ADJUSTMENTS TO UTILITY PLANT

(Dollars in Thousands)

	Estimated 2005	Test Year 2006-2007	Test Year 2007-2008
Advances for Construction			
Beginning-of-Year Balance	$30,245.6	$31,313.6	$32,453.9
Net Additions	$1,795.0	$1,875.0	$2,887.5
Refunds	($708.3)	($708.3)	($708.3)
Transfers to Contributions	($21.3)	($21.3)	($21.3)
Reclassifications	($5.1)	($5.1)	($5.1)
End-of-Year Balance	$31,305.9	$32,453.9	$34,606.8
Average Balance	$30,775.7	$31,883.8	$33,530.4
Contributions in Aid of Construction			
Beginning-of-Year Balance	$12,106.9	$18,482.0	$19,189.5
D.04-07-034 - Gain on Sale	$2,282.0		
CIAC - Gains on Sale	$2,955.7		
Additions	$1,300.0	$1,300.0	$1,300.0
Transfers from Advances	$21.3	$21.3	$21.3
Depreciation Accrual	($418.7)	($469.5)	($502.4)
Depreciation - Gains on Sale	($144.3)	($144.3)	($144.3)
End-of-Year Balance	$18,102.8	$19,189.5	$19,864.3
Average Balance	$17,723.7	$18,835.8	$19,526.9

Notes: $4,054,080 was added to Contributions as of January 1, 2004 and depreciated annually at the rate of 2.57%.

2004	$38,480	=0.0257 * $2,994,582 * 50%
2005 & thereafter	$76,961	=0.0257 * $2,994,582

The depreciated cost of F10 treatment facilities ($2,349,525) was already added to Contributions as of January 1, 2003, per D.04-07-034, but is shown on a separate line in the above table.

(END OF APPENDIX E)